Court cases of drug companies

1290. SHRI H. MANUMANTHAPPA : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state :

(a) what is the status of various court cases as on date and in how many cases even counter affidavits are yet to be filed by the Ministry;

(b) what are the details of those cases where no date for hearing has been fixed during the past six months and what action the Ministry has taken to get the hearing expedited in theses cases;

(c) what has prevented Ministry in determining the liability of M/s Rhone Poulanc in respect of Metronidazole and M/s Synbiotics in the case of Streptomycin.

(d) what is the final liability assessed in respect of overcharging of price of Vitamin C, Ranitidine and Cemetidine and full details of the sales made have not been obtained so far; and

(e) who is responsible for these lapses and what action has been taken in the future ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS : (a) and (b) To the extent information is available, the details asked for have been given in the statement enclosed (*See* below). The pending Writ Petitions filed by Drug companies in various High Courts are being pursued. As a result, recoveries/bank guarantees to the extent indicated in Column 6 against S. No. 1, 2, 3, 4 & 9 have been obtained.

(c) In case of liability of M/s. Rhone Poulenc in respect of bulk drug Metronidazole the company had requested for granting personal hearing which was granted in June, 93 in which the company raised some legal issues which have been referred to the Ministry of Law for advice. Regarding liability of M/s Synbiotics in respect of Streptomycin, the company filed writ petitions in the Delhi High Court in 1981 which is still pending.

(d) To the extent information is available, no case has come to the notice of the Government regarding overcharging of the price of Ranitidine and Cimetidine. Regarding overcharging of Vit. C the liability of M/s. Sarabhai Chemicals was assessed as Rs. 20.00 lakhs which the company has already paid to the Government.

(e) Does not arise.

Statement

S. No.	Name of the company	Amount of liability (Rs./ Lakhs)	Name of the Court	Year in which Petition has been filed	Present status
(1)	(2)	(3)	(4)	(5)	(6)
1	M/s Pfizer	87.61	Bombay High Court	1992	50% of the liablity has been deposited with the Govt. as per Supreme Court's Orders. Case is still pending in Bombay High Court.
2	M/s Abbott	182.38	Do.	1992	Do.
3	M/s Pfizer	98.00	Do.	1992	Do.
4	M/s Sandoz	74.68	Do.	1992	50% of the liability has been deposited with the Bombay High Court. Case is still mpending in the Bombay High Court.
5	M/s Dolphin	18.11	Calcutta High Court	1990	Case is still pending.
6	M/s Cadila	76.50	Ahmedabad High Court	1990	Do.

Statement—Contd.

(1)	(2)	(3)	(4)	(5)	(6)
7	M/s Fulford	194.62	Delhi High Court	1988	Do.
8	M/s Glaxo	7178.00	Do.	1990	Do.
9	M/s Burroughs Welcome	191.15	Bombay High Court	1993	As per Bombay High Court directions the company was heard and Speaking Order was issued, against which company filed writ petition The company has furnished Bank Guarantee of Rs. 2 crores as per direction of the Court.
10	M/s Lyka	678.73	Do.	1990	Case is still pending.
11	M/s Carews	710.24	Calcutta High Court	1990	Do.
12	M/s Hoechst	7780.80	Bombay High Court	1990	A hearing has to be given to the company in compliance with the Order of the Bombay High Court.
13	M/s Pharmed	66.01	Do.	1991	Hearing has been given to the company in compliance with the order of the Bombay High Court.
14	M/s Nicholas	53.03	Do.	1993	The Bombay High Court vide their order dated 10-1-94 directed that the company be given a fresh hearing on 8-2-1994. On the directions of the Court a hearing was given on 8-2-94 to the Company.
15	M/s Synbiotics	N.A.	Delhi High Court	1981	The case is still pending.
16	M/s Micro Lobs	2.24	Madras High Court	1984	Do.
	B. Details of Other Writ Petitions				
1	Bakul Aromatics	N.A.	Bombay High Court	1990	The case is still pending
2	Merind	N.A.	Do.	1989	Do.
3	Ultim Pharmaceuticals	N.A.	Do.	1993	Do.

N.A.—Not Assessed.

Overcharging of prices of bulk drugs and formulations.

1894. **SHRI H. HANUMANTHAPPA** : Will the Minister of Chemicals and Fertilizers be pleased to refer to answer to Unstarred Queston 2080 given in the Rajya Sabha on the 12th August, 1993 and state :

(a) What are the details of cases of overcharging, including those in respect of Ranitidine, Erythromycin, Paracetamol, Vitamin C etc., which were reported under DPCO 1987 and what is the stage of action in each case ;

(b) whether it is a fact that no recovery has been made in these cases and that the Ministry is responsible for the recovery and not the State Government; and

(c) what steps have been taken or are proposed to be taken to recover the amount in view of clear cut provisions DPCO, 1987 ?